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Docket No. 40655.3700

REMARKS

Applicants reply to the Final Office Action dated April 19, 2006, within two months. Thus, Applicants request an Advisory Action, if necessary. Claims 1-14 and 26-36 were pending in the application and the Examiner rejects claims 1-14 and 26-36. Support for the amendments may be found in the originally-filed specification, claims, and figures. No new matter has been introduced by these amendments. Reconsideration of this application is respectfully requested.

Specification Objections

The Examiner objects to the disclosure, "because it contains embedded references to unavailable, external, third-party materials, which materials are neither currently available, nor part of the instant prosecution record" (page 3, item 5). Applicants traverse the Examiner's objection; however, to expedite prosecution, Applicants have amended the specification to remove hyperlinks, as requested by the Examiner. The original disclosure includes sample hyperlinks which have been retained and which comply with 35 U.S.C. § 112, first paragraph. The remaining sample hyperlinks are in accordance with MPEP 608.01(VII), which states:

"Where the hyperlinks and/or other forms of browser-executable codes >themselves rather than the contents of the site to which the hyperlinks are directed< are part of applicant's invention and it is necessary to have them included in the patent application in order to comply with the requirements of 35 U.S.C. 112, first paragraph, and applicant does not intend to have these hyperlinks be active links, examiners should not object to these hyperlinks."

Claims Rejected under 35 U.S.C. § 112, First Paragraph

The Examiner rejects claim 33 under 35 U.S.C. § 112, first paragraph, as containing subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most closely connected, to make and/or use the invention. Specifically, the Examiner asserts that the "specification fails to disclose, in an adequately enabling manner, how the 'VoIP' embodiment would function" (page 3, item 7). Applicants have amended independent claim 30, from which claim 33 depends, to more accurately disclose that the identified tax authority is returned to the telecommunications service provider as opposed to the mobile communications device. As such, the claimed transactional tax settlement system computes tax based on the connection information (e.g., location, connection duration, etc.), and particularly, the connection between the mobile device and the ISP.

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Claims Rejected under 35 U.S.C. § 103

The Examiner rejects claim 1-14 and 26-36 under 35 U.S.C. § 102(e) as being anticipated by Sullivan, U.S. Patent Number 6,424,979 ("Sullivan"). Applicants respectfully traverse this rejection.

Sullivan generally discloses a tax calculator that receives purchase information from a retailer and provides a tax amount in return. Specifically, the Sullivan system allows sellers or purchasers to calculate, record, and report tax liabilities. The system calculates tax amounts based on applicable international, federal, state, and local tax rates. The Sullivan system also takes into consideration product and/or service exemptions, entity exemptions, and rounding.

According to Sullivan, sellers and purchasers, through their billing systems, cash registers, and web sites, transmit transaction details to the tax compliance system. The tax liability is calculated and transmitted back to the input source for application to the purchase price. Sullivan's tax compliance system also records the tax liability for future use in computing a tax return, defending an audit, or for tax planning.

When the Sullivan system receives transaction information from the seller, it determines the proper taxing authorities and retrieves the corresponding calculations from storage. The system then performs the calculations and returns the summed tax amount to the seller to consummate the transaction. Sullivan discloses a number of components used in the calculation of taxes such as, for example, a tax transaction calculator, an address manager, a tax rate manager, an exemption manager, and a tax information manager. All of these modules are centrally located, meaning that all requests are transmitted to, and processed by, the centralized taxation system of Sullivan. Rather than identifying the proper taxation authorities and routing transaction information to each, the Sullivan system calculates taxes on behalf of all relevant taxing authorities. As a result, stringent administration of the Sullivan system would not only be vital, but extremely difficult to maintain. An administrator of the Sullivan taxation system would need to be immediately aware of tax changes occurring over hundreds, if not thousands, of distinct taxing authorities.

In the Response to Arguments, the Examiner states that Sullivan discloses a tax directory that is, "configured to at least one of: 'route said transaction to said identified tax authorities,' and, 'return a list of said identified tax authorities to said personal communications device,' since enabling payment of the appropriate taxes to the pertinent authorities is the express point of the

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Sullivan system" (page 8, item 13). Applicants assert that the Examiner has misunderstood both the previously filed amendments and arguments in light of the Sullivan reference.

Applicants do not disagree with the Examiner's statement that enabling payment of the appropriate taxes to the pertinent authorities is the express point of the Sullivan system. However it is the manner in which this objective is achieved that distinguishes Applicant's claims from the Sullivan reference. As pointed out above, the manner by which taxes are calculated can significantly influence the accuracy of the calculation, thus affecting the liability of all involved parties.

According to Sullivan, "applicable tax rate(s) may be specified by the selling/purchasing system or retrieved from a standard tax rate database 112 which associates a tax rate with a tax situs and tax type" (paragraph 0051). The "standard tax rate database 112" is clearly illustrated in figure 1, and described in reference to the figure, as being a component of the transaction tax compliance system 200. Thus, when a tax is computed based on transaction information received from a point of sale system, the tax rate is determined based on the static rate data stored in the standard tax rate database 112. Sullivan does not disclose how such values are maintained in the database; however, one of ordinary skill may logically conclude that the system would either receive a feed from various taxing authorities at pre-determined intervals or query the taxing authorities in order to update the database of the tax compliance system to capture any tax rate changes.

Regardless of the method used to maintain the tax rate database, as well as the other various databases disclosed by Sullivan, the system as disclosed is susceptible to inaccurate tax calculations due to the fact that a stored tax rate may be outdated, even if only by one day. Sullivan would overcome this problem by electronically routing the purchase information to the relevant taxing authorities directly where the accuracy of the tax rate applied would be ensured. However, Sullivan includes no such disclosure. As such, Sullivan does not disclose or suggest at least, "said tax directory configured to at least one of route transaction information to said identified tax authorities and return a list of said identified tax authorities to said personal communication device," as similarly recited by independent claims 1, 26, 30, and 34.

Claims 2-14, 27-29, 31-33, and 35-36 variously depend from independent claims 1, 26, 30, and 34. As such, dependent claims 2-14, 27-29, 31-33, and 35-36 are differentiated from the

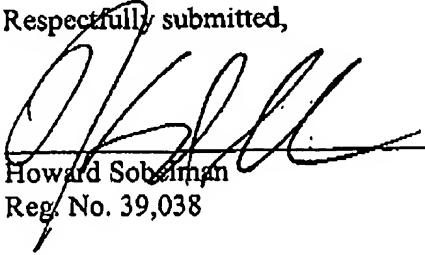
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cited reference for at least the reasons set forth above, as well as in view of their own respective features.

In view of the above remarks and amendments, Applicants respectfully submit that all pending claims properly set forth that which Applicants regard as their invention and are allowable over the cited references. Accordingly, Applicants respectfully request allowance of the pending claims. The Examiner is invited to telephone the undersigned at the Examiner's convenience, if that would help further prosecution of the subject Application. Applicants authorize and respectfully request that any fees due be charged to Deposit Account No. 19-2814.

Respectfully submitted,

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